GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:4124
ANSWERED ON:20.08.2001
INVESTMENT IN TELECOMMUNICATION SECTOR
SADASHIVRAO DADOBA MANDLIK

Will the Minister of COMMUNICATIONS be pleased to state:

(a) the details of investment made in Telecommunication sector by the private sector under the liberalisation policy during the last three years and till date;

(b) whether the private sector and foreign telecommunication companies have shown interest to make investment for development of telecommunications facilities in the backward districts of the country;

(c) if so, the details thereof and if not, the reasons therefor; and

(d) the steps being taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) As per the information received from the private operators, the total investment in the major telecom service sector by private operators upto 31.3.2000 is approximately Rs. 16564.38 Crores. Break-up is as under:-

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Basic Services     Rs. 3,605.48 Crores
Cellular Mobile Telecom Services  Rs. 11,860.91 Crores
V-SAT      Rs. 184.52 Crores
Mobile Radio Trunk Service   Rs. 250.00 Crores
Paging Service     Rs. 663.47 Crores
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The year-wise break up of private investment is not available.

(b) to (d): Indian companies with foreign partners had participated in the tender invited for providing Basic Telephone Service in the country. The company providing Basic Telephone Service can have up to 49% Foreign direct investment. Licenses have been granted to six such companies for providing Basic Telephone Service in the circles Madhya Pradesh, Punjab, Maharashtra (including Mumbai), Rajasthan, Andhra Pradesh & Gujarat. Further, as per NTP`99, Basic Telephone Service has been opened for free competition. The roll out obligation of the existing licensees of Basic Telephone Service includes coverage of rural and uneconomic areas.